UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/381,243	01/21/2000	CHARLES R. HASKINS	CITI0058-US	3704

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EXAMINER
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ART UNIT	PAPER NUMBER
3628	

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Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

	Application No.	Applicant(s)	
Office Action Summary	09/381,243	HASKINS ET AL.	
	Examiner	Art Unit	
	Timothy M. Harbeck	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on *16 September 2004*.

2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
    closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) *1-11 and 13-46* is/are pending in the application.

   4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-11 and 13-46* is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☒ The drawing(s) filed on *17 September 1999* is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

       1. ☐ Certified copies of the priority documents have been received.

       2. ☐ Certified copies of the priority documents have been received in Application No. _____.

       3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage
          application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .

5) ☐ Notice of Informal Patent Application (PTO-152)

6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-46 rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention is directed to non-statutory subject matter. For a claim to be statutory under 35 USC 101 the following two conditions must be met:

1) In the claim, the practical application of an algorithm or idea results in a useful, concrete, tangible result,

AND

2) The claim provides a limitation in the technological ads that enables a useful, concrete, tangible result.

As to the technology requirement, note MPEP Section IV 2(b). Also note In re Waldbaum, 173USPQ 430 (CCPA 1972) which teaches "useful arts" is synonymous with 'technological arts". In Musgrave, 167USPQ 280 (CCPA 1970), In re Johnston, 183USPQ 172 (CCPA 1974), and In re Toma, 197USPQ 852 (CCPA 1978), all teach a technological requirement. The invention in the body of the claim must recite technology. If the invention in the body of the claim is not tied to technological ad, environment, or machine, the claim is not statutory. Ex parte Bowman 61USPQ2d 1665, 1671 (BD. Pat. App. & Inter.2001) (Unpublished)

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claim 44 is rejected under 35 U.S.C. 102(b) as being anticipated by Wolfberg et

al (hereinafter Wolfberg, US Pat No 5,214,579).

Wolfberg discloses a method for goal oriented investment indexing, tracking and

monitoring data processing system comprising the steps of

- Automatically identifying for each of the plurality of users each of the

  plurality of selected funds for which the value of the selected fund is less

  than the guaranteed accumulation on investment amount (Column 9 lines

  1-10, lines 21-26);

Automatically summing the difference between each of the plurality of selected

funds for which the value of the selected fund is less than the guaranteed accumulation

investment amount for each of the plurality of users to produce a total difference and

automatically increasing the total difference by a reserve factor (Column 9, lines 21-26).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

Claims 1, 4-6, 9, 13-14, 16-17, 27-29, 32-40, 45-46 are rejected under 35 U.S.C.

103(a) as being unpatentable over Anonymous (Asset allocation programs: "A

partnership between operations and investments;" ABA's Financial Services Industry

Trends, v54, p15-18 Jan/Feb 1996) in view of Wolfberg

Re Claim 1: Anonymous discloses different asset allocation programs that are

operable through the use of a computer. This model discloses a method for modeling

an investment fund mix comprising the steps of

- Designating funds for investment to produce the fund mix (page 2, line 6-
  11)

- Comparing a diversification guideline to the fund mix (page 2, line 6-11)

- Completing an information file for the user (Page 3, line 21-27)

- Determining a pattern of investments to meet the pre-selected guaranteed
  amount (Page 3, line 28-35)

- Applying the diversification guideline to the information file to determine
  whether the information file meets the guideline (Page 3, line 28-35)

The Anonymous document does not disclose automatically calculating the

projected guaranteed amount or comparing the projected guaranteed amount to the

pre-selected guaranteed accumulated investment amount. Wolfberg discloses a goal-oriented investment data processing system wherein the data processing system manages, monitors and reports the growth of a participant's investment base with respect to progress towards achieving a predetermined investment target or goal amount (Column 1, line 45-49). Furthermore Wolfberg discloses that the growth of a participants initial investment base is tracked and interpreted based on criteria and projections periodically made which reflect how well the account is progressing toward the target amount (Column 1, line 55-60). It would have been obvious to someone skilled in the ordinary art at the time of invention to include the teaching of Wolfberg to the disclosure of the Anonymous document, so that an individual will have a way to know if their investments are progressing toward their ultimate goal. If an individual sets an investment goal that they wish to achieve, they would want to know that appropriate progress is being made. In this way, if their investments are not progressing in a satisfactory manner, they can make necessary adjustments.

Re Claim 4: Anonymous in view of Wolfberg discloses the claimed method and Anonymous further disclose

- Suggesting a pattern of investments (Page 2, lines 6-11)
- Automatically calculating a suggested pattern guaranteed amount (Page 3, lines 28-35)

And Wolfberg further discloses:

- Comparing the suggested pattern guaranteed amount to the pre-selected guaranteed amount (Column 1, line 55-60)

- If the suggested pattern guaranteed amount is not at least the pre-selected guaranteed amount, returning to the step of suggesting a pattern of investments (Column 2, lines 33-41)

It would have been obvious to someone skilled in the ordinary art at the time of invention to include the teachings of Wolfberg to those of Anonymous so that an investors goal can be tracked to make sure that it is on schedule with the pre-selected investment goals.

Re Claim 5: Anonymous further discloses a method wherein the step of applying the diversification guideline to the information file to determine whether the information file meets the guideline further includes the steps of, if the information file does not meet the diversification guideline

- Automatically noting exceptions (Page 3, line 28-35)

- Automatically suggesting alternative inputs to meet the guaranteed amount (Page 3, line 28-35)

- Inputting corrections (Page 3, line 28-35) and;

- Automatically returning to the step of completing an information file for the user (Page 3, line 21-35). The act of constantly rebalancing the diversification of the portfolio shows that this process is in fact a looped process.

Re Claim 6: Wolfberg discloses a method for identifying a fund mix producing a projected accumulation investment amount exceeding a pre selected amount for a user comprising the steps of:

- Inputting the time period for producing the maximum accumulation investment amount (Column 5, line 24-26)

- Inputting a probability of the projected accumulation investment amount exceeding the pre selected amount (Column 5, lines 38-46)

Anonymous discloses

- Automatically searching predetermined probability distribution functions for potential funds for the fund mix (Page 3, lines 13-20).

- Automatically listing a plurality of funds by projected accumulation investment amount produced using the predetermined probability distributions for the potential funds (Page 3, lines 13-20)

- Comparing a diversification guideline to the plurality of potential funds (Page 3, lines 21-27)

- Automatically combining a plurality of potential fund meeting the diversification guideline to produce an optimum fund mix that will produce a projected accumulation investment amount exceeding the pre selected amount (Page 3, lines 21-35).

It would have been obvious to someone skilled in the ordinary art at the time of invention to combine the features of Anonymous and Wolfberg so that an appropriate mix of investments can be compiled that will satisfy and individuals investment goals.

Re Claim 9: Wolfberg discloses a method for projecting an accumulated investment amount for a portfolio having a plurality of funds over a pre selected time period for a user, comprising the steps of

- Inputting initial and periodic contributions and fund allocations for the
  plurality of funds (Column 1, lines 55-60)

- Automatically calculating the time needed to process a projection of the
  accumulated investment amount for the portfolio having the plurality of
  funds (Column 1, lines 60-67).

- Automatically performing a projection of the accumulated investment
  amount for the portfolio having the plurality of funds (Column 1, lines 60-
  67)

Anonymous discloses

- Completing a projection method parameters file in which various
  parameters are identified, including parameters set by the user based
  upon investment goals selected by the user (Anonymous, Page 3, lines
  21-27)

It would have been obvious to someone skilled in the ordinary art at the time of
invention to combine the teachings of Wolfberg and Anonymous so that a user of the
system would have a formal way to project the future value of the investment and make
adjustments in the portfolio if it is not performing up to standards.

Re Claim 13: Wolfberg further discloses the step of, if the user interrupts the
step of automatically performing a projection of the accumulation amount for the
plurality of funds, automatically presenting completed projections (Column 1, lines 60-
67, Column 9, lines 26-30).

Re Claim 14: Wolfberg further discloses the step of automatically prompting the

user prior to performing the step of automatically calculating a projection completion

time. In the Wolfberg disclosure, the user is prompted to validate his or her identity

before performing any requested services. In this way the system is protected against

possible fraudulent use.

Re Claim 16: Anonymous further discloses the step of automatically performing

a projection of the accumulation amount for the plurality of funds further comprising the

steps of

- Inputting data for the projection (Page 3, lines 13-14; optimization

  techniques)

- Automatically performing a distribution model (Page 3, lines 13-20). The

  "efficient frontier" model discussed is a distribution model of rate versus

  return.

Re Claim 17: Anonymous further comprises the step of automatically performing

a projection of the accumulation amount for the plurality of funds further comprising the

steps of

- Inputting data for the projection (Page 3, lines 13-14; optimization

  techniques)

- While Anonymous does not explicitly disclose setting a yield equal to the

  index performance for a predetermined number of simulations, this step

  would be obvious to someone skilled in the ordinary art. The reason an

  investor would use a system such as this would be with the goals of

receiving a higher yield on their money than the standard index. If the

user was looking to achieve were the yield of the index, then they would

not need this system but rather would simply invest their assets evenly

across the board. The higher yield is what would motivate them to use an

investment management system.

- Automatically performing a distribution model for the number of

  simulations greater than the predetermined number (Page 3, lines 13-20)

Re Claim 27: Anonymous discloses a method for pricing fund charges for an

investment fund equal to at least a pre-selected guaranteed accumulation investment

amount over a predetermined time period selected by a user comprising the steps of:

- Creating a plurality of information sets corresponding to a plurality of

  potential users (Page 3, lines 14-20). The different risk tolerances could

  represent the different risks tolerances of potential users.

Wolfberg discloses

- Automatically projecting a plurality of monthly charges for producing a

  plurality of projected guaranteed amounts for each of the plurality of

  information sets and automatically deducting and accumulating the

  plurality of monthly charges (Column 2, lines 42-53). Wolfberg discloses

  deducting predetermined operating costs, which represent previous

  projections of charges over a period of time (i.e. monthly, quarterly, yearly)

- For each of a plurality of projected guaranteed accumulation investment amounts, automatically adding the accumulated monthly charge and subtracting the projected guaranteed accumulation investment amount to produce a probability distribution providing a range of net values (Column 2, lines 42-49). The excess amounts over the guaranteed minimum and the operating costs of the Wolfberg method are all incorporated to produce net value of the investment portfolio.

- While Wolfberg does not explicitly disclose selecting one from the plurality of monthly charges that produces zero value for the probability and distribution produced, this would be possible by simply selecting the appropriate value from the plurality of charges and could easily be accomplished in the Wolfberg method.

It would have been obvious to someone skilled in the ordinary art to include the teachings of Wolfberg to the method of Anonymous, so that each potential investor can have a net investment projection that includes any service charges that may be deducted. This would also allow them to see adjusted probability distributions relating to their investment opportunities.

Re Claim 28: Anonymous in view of Wolfberg discloses the claimed method 27 as stated previously, however the references do not explicitly disclose the step wherein the plurality of information sets includes extensive variation of duration of benefits, contribution patterns, and select end choices. However, it was well know in the art at the time of invention that different investment plans have extensive variations

depending upon the goals of the plan. For instance, a young investor saving for retirement would make smaller contributions to the plan as compared to an older investor looking to achieve the same financial goal. This is because the younger investor has more time to allow for interest to accumulate in his account, whereas the older investor would have to make up for the loss in time with larger contributions. It would have been obvious to someone skilled in the ordinary art to include extensive variations in the investment plans, because each investor has different goals and no one plan is suited for every investor.

Re Claim 29: Anonymous in view of Wolfberg discloses the claimed method 27 as stated previously, however the references do not explicitly disclose the step wherein the plurality of information sets comprises a single life with a ten-year certain settlement option. However it was well known in the art at the time of invention that to include settlement options on long-term investment plans to allow customers to withdraw their money prematurely, often times with a financial penalty associated with doing so. It would have been obvious to someone skilled in the ordinary art at the time of invention to include this option because it was widely used and would provide additional advantages to the investment plan to attract investors.

Re Claim 32: Wolfberg discloses a method for combining electronic fund reports for a client for a plurality of funds and a plurality of transactions for the plurality of funds wherein each of the plurality of funds has an amount, comprising the steps of:

- Automatically determining whether all of the plurality of funds have reported (Col 1, line 55- Col 2 line 4)

- Automatically matching the plurality of transactions to the plurality of funds (Col 3, lines 3-33)

- Automatically generating withdrawal and deposit instructions for the plurality of funds (Col 32, lines 46-50)

Anonymous discloses

- Determining whether diversification guidelines are met for the plurality of funds and the plurality of transactions (Page 3, line 21-27).

The references do not disclose automatically determining whether the total contribution exceed a predetermined amount, however it was well known in the art at the time of invention that contribution totals to certain vehicles were capped at a certain maximum amount. For example a Roth IRA has annual contribution maximums that cannot, by law, be exceeded because these vehicles have certain tax related benefits that are meant to encourage less wealthy individuals to save. It would have been obvious to someone skilled in the ordinary art at the time of invention to include this step because it was illegal not to do so.

It would have been obvious to someone skilled in the ordinary art at the time of invention to combine the teachings of Anonymous and Wolfberg in order to determine that the fund mix is producing the amount that the investor has required.

Re Claim 33: Anonymous in view of Wolfberg disclose the claimed method 32 as stated previously and Anonymous further discloses wherein the step of determining whether diversification guidelines are met for the plurality of funds and plurality of transactions further includes the steps of:

- If the plurality of funds and plurality of transactions does not meet the diversification guidelines, providing to the client a timetable to reallocate the plurality of funds and determining whether diversification guidelines are met for the reallocated plurality of funds (Page 3, lines 21-35)

Re Claim 34: Anonymous in view of Wolfberg discloses the claimed method 32 as stated previously. The references do not explicitly disclose if the total contributions exceed a predetermined amount, automatically generating a report to the client requesting the excess of contributions over the predetermined amount be withdrawn;

- Automatically generating a timetable for the client to withdraw the excess of contributions over the predetermined amount;

- If the timetable is not met, automatically identifying a fund from the plurality of funds containing the largest amount; and

- Automatically transferring the excess of contributions over the predetermined amount from the fund from the plurality of funds containing the largest amount to the second account

However, official notice is taken that it was well known in the art at the time of invention that this is how accounts have been handled that have contribution ceilings. For example, Roth IRA's have, by law, maximum annual contributions amounts that cannot be exceeded. However, often time an investor may mistakenly contribute more than the maximum amount into the IRA account. If this occurs, any excess money is not invested, but rather set aside in a separate account. The customer is notified, and then can take appropriate steps to allocate the contributions in a separate account.

Re Claim 35: Anonymous discloses a method for processing for a user a guaranteed accumulation investment amount for a plurality of variable annuities with a fixed retirement income guaranteed amount having a maturation date comprising the steps of:

- Inputting user specific data (page 3, lines 21-27)

- Automatically generating a proposal for a guaranteed minimum benefit rider (page 3, line 26-27; "recommendation for allocation model")

Wolfberg discloses

- Automatically generating a contract data page and automatically issuing a contract with a guaranteed minimum income benefit rider (column 1 line 45-column 2 line 41). It is evident from the discussion that the investor has an agreement in place with the manager of the system. The agreement is to invest a certain amount of money with the management company with the promise of a guaranteed rate of return on this initial investment. While the specific term "contract" is not used, it is implied throughout the discussion.

- Automatically deducting a daily cost charge (Column 2, line 42-49). The system could easily be adapted to deduct charges on a daily basis or any other time frame.

- Receiving transactions for the account (Column 3, lines 12-24)

- Comparing a variable annuity diversification guideline to the received transactions for the account (Column 3, lines 25-34)

- Automatically generating withdrawal and deposit instructions for the received

  transactions (Column 3, lines 35-48)

- Automatically determining the guaranteed accumulation investment amount

  (Column 2, lines 13-23)

- Automatically periodically transmitting information about the account to the user

  (Column 4, lines 5-9)

The references do not disclose automatically determining whether the total contribution

exceed a predetermined amount, however it was well known in the art at the time of

invention that contribution totals to certain vehicles were capped at a certain maximum

amount. For example a Roth IRA has annual contribution maximums that cannot, by

law, be exceeded because these vehicles have certain tax related benefits that are

meant to encourage less wealthy individuals to save. It would have been obvious to

someone skilled in the ordinary art at the time of invention to include this step because

in many common cases it was illegal not to do so.

It would have been obvious to someone skilled in the ordinary art at the

time of invention to include the teaching of Wolfberg to the disclosure of the Anonymous

document, so that an individual will have a way to know if their investments are

progressing toward their ultimate goal. If an individual sets an investment goal that they

wish to achieve, they would want to know that appropriate progress is being made. In

this way, if their investments are not progressing in a satisfactory manner, they can

make necessary adjustments. The investor and the management system would also

benefit from having a contractual agreement in place to provide evidence of a financial relationship.

Re Claim 36: Anonymous in view of Wolfberg discloses the claimed method 35 as described previously, and Wolfberg further discloses wherein the transactions include transferring account amounts for removed funds (Column 2 line 50- Column 3 line 11). The Wolfberg disclosure shows the use of inter fund transfers and allocations, and while not explicitly disclosing transferring amounts for removed funds, it would have been obvious to someone skilled in the ordinary art at the time of invention to include this step because the management system would not want to leave money in a fund that is removed from the portfolio. They would transfer the funds from the removed account to a more appropriate fund.

Re Claim 37: Anonymous in view of Wolfberg discloses the claimed method 35 as stated previously. The references do not explicitly disclose if the total contributions exceed a predetermined amount, automatically generating a report to the client requesting the excess of contributions over the predetermined amount be withdrawn;

- Automatically generating a timetable for the client to withdraw the excess of contributions over the predetermined amount;
- If the timetable is not met, automatically identifying a fund from the plurality of funds containing the largest amount; and
- Automatically transferring the excess of contributions over the predetermined amount from the fund from the plurality of funds containing the largest amount to the second account

However, official notice is taken that it was well known in the art at the time of

invention that this is how accounts have been handled that have contribution ceilings.

For example, Roth IRA's have, by law, maximum annual contributions amounts that

cannot be exceeded. However, often time an investor may mistakenly contribute more

than the maximum amount into the IRA account. If this occurs, any excess money is

not invested, but rather set aside in a separate account. The customer is notified, and

then can take appropriate steps to allocate the contributions in a separate account.

Re Claim 38: Anonymous in view of Wolfberg discloses the claimed method 35

as stated previously and Wolfberg further discloses automatically transmitting to the

user notice of the maturation date prior to the maturation date (Column 3 line 63-

Column 4 line 9).

Re Claim 39: Anonymous in view of Wolfberg discloses the claimed method 35

as stated previously and Wolfberg further discloses automatically comparing the

guaranteed accumulation investment amount to the total value of the plurality of variable

annuities (Column 2, lines 33-41) and upon the maturation date, the user receiving the

excess of the guaranteed accumulation investment amount over the total value of the

plurality of variable annuities (Column 2, lines 42-49).

Re Claim 40: Anonymous in view of Wolfberg discloses the claimed method 35

as stated previously and Wolfberg further discloses the step of upon the maturation

date, the user selecting anew maturation date (Column 2, lines 45-62). In the Wolfberg

embodiment, the participant has flexibility with regards to their account and has the

ability to change the maturation date simply by altering the amount of monthly payments into the account.

Re Claim 45 and 46: Anonymous in view of Wolfberg discloses the claimed method 16 and 17 as described previously and Wolfberg further discloses:

- Automatically determining the accumulated investment amount for the pre selected time period

The references do not explicitly disclose discounting the accumulated investment amount by a reserve interest rate and using a reserve investment rate or determining a present value of a future guarantee charge for the accumulate investment amount. However it was well known to anyone skilled in the ordinary art that both discounting an investment using an interest rate or reserve investment rate and finding the present value of a future value were common practices in the financial community. An investment manager would be motivated to discount the accumulated investment amount by certain factors to get a better understanding of the current market value of the investment as opposed to the redemption value (guaranteed amount). In the same manner, taking the present value of known future charges allows these charges to be factored into the present accumulation amount to get a better understanding of the "real" value of the current investment and helps to determine how much money needs to be invested currently to achieve the desired future value (guaranteed amount).

Claims 2-3 and 7-8 and 10 –11, 15, 18-21, 23-26, 30-31, 41-43 are rejected
under 35 U.S.C. 103(a) as being unpatentable over Anonymous in view of Wolfberg,
and further in view of Lane.

Re Claim 2: Anonymous in view of Wolfberg discloses the claimed method 1
supra except for the disclosure wherein the investment fund comprises select funds.
Lane discloses the use of select funds such as US Treasury Bills, Certificates of
Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious
to someone skilled in the ordinary art to include the teachings of Lane to those of
Anonymous in view of Wolfberg because selected funds, such as the ones noted, are
notoriously well known in the art as investment vehicles.

Re Claim 3: Anonymous in view of Wolfberg discloses the claimed method 1
supra except for the disclosure wherein the investment fund comprises variable. Lane
discloses the use of variable annuities such as US Treasury Bills, Certificates of
Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious
to someone skilled in the ordinary art to include the teachings of Lane to those of
Anonymous in view of Wolfberg because variable annuities, such as the ones noted,
are notoriously well known in the art as investment vehicles.

Re Claim 7: Anonymous in view of Wolfberg discloses the claimed method 6
supra except for the disclosure wherein the investment fund comprises select funds.
Lane discloses the use of select funds such as US Treasury Bills, Certificates of
Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious
to someone skilled in the ordinary art to include the teachings of Lane to those of

Anonymous in view of Wolfberg because selected funds, such as the ones noted, are notoriously well known in the art as investment vehicles.

Re Claim 8: Anonymous in view of Wolfberg discloses the claimed method 6 supra except for the disclosure wherein the investment fund comprises variable. Lane discloses the use of variable annuities such as US Treasury Bills, Certificates of Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious to someone skilled in the ordinary art to include the teachings of Lane to those of Anonymous in view of Wolfberg because variable annuities, such as the ones noted, are notoriously well known in the art as investment vehicles.

Re Claim 10: Anonymous in view of Wolfberg discloses the claimed method 9 supra except for the disclosure wherein the investment fund comprises select funds. Lane discloses the use of select funds such as US Treasury Bills, Certificates of Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious to someone skilled in the ordinary art to include the teachings of Lane to those of Anonymous in view of Wolfberg because selected funds, such as the ones noted, are notoriously well known in the art as investment vehicles.

Re Claim 11: Anonymous in view of Wolfberg discloses the claimed method 9 supra except for the disclosure wherein the investment fund comprises variable. Lane discloses the use of variable annuities such as US Treasury Bills, Certificates of Deposits, US Treasury Notes and Federal Agency Bonds. It would have been obvious to someone skilled in the ordinary art to include the teachings of Lane to those of

Anonymous in view of Wolfberg because variable annuities, such as the ones noted,

are notoriously well known in the art as investment vehicles.

Re Claim 15: Anonymous in view of Wolfberg discloses the claimed method 9

supra and Wolfberg further discloses the step of automatically deducting a service

charge (Column 2, lines 42-49). Neither reference discloses inputting the average yield

for each of the plurality of funds or calculating the average projected yield for each of

the plurality of funds. Lane discloses both of these features in Table 2 (Page 105). It

would have been obvious to someone skilled in the ordinary art at the time of invention

to include the average yield inputs and projects to Wolfberg in view of Anonymous so

that a user can see the current returns associated with individual funds, and also the

projections of the same funds so that they can determine if the potential future returns

are in sync with their financial goals.

Re Claim 18: Anonymous in view of Wolfberg discloses the claimed method 9

supra. Anonymous further discloses automatically performing a distribution model to

generate multiple accumulation amounts (Page 3, line 13-20). Lane discloses, in Table

3, automatically performing a projection of the accumulation amount for the plurality of

funds further comprising an average annual change in index performance for each

index fund. In the table, the current yields are given, and the future forecasted yields

are given, so it would be simple to calculate the average change over time. The

references do not teach automatically performing a normal distribution random

projection, a standard deviation model or automatically deducting a predetermined

percentage of annual yield from the projection of index appreciation. However,

performing a normal distribution projection and finding the standard deviation of a set of

numbers is notoriously well known in the art of statistics. Portfolio modeling uses

statistical reasoning as a foundation for projecting numbers. It follows then that most

systems for portfolio modeling would use statistical reasoning, including the "efficient

frontier" model of Anonymous. This "optimization technique" could well use normal

distributions and standard deviations to help project the value of investments.

Furthermore, deducting a percentage of annual yield from the projection of annual index

appreciation is a well known method to adjust for inflation to come to a "real value" of a

projected number.

    Re Claims 19 and 20: Anonymous in view of Wolfberg discloses the claimed

method 9 as stated previously and Wolfberg further discloses

- Automatically deducting a service charge (Col 3, lines 42-49)

Lane further discloses:

- Inputting a number of scenarios and number of simulations (Page 107,
  lines 10-15)

- Automatically generating a random number for a first simulation (Page
  103, lines 12-17)

- Inputting projection method factors (Page 107, lines 17-23)

- Automatically generating a first simulation result for a random distribution
  model (Page 104, lines 1-5)

- Automatically generating a new random number from the first random
  number (Page 104, lines 5-13)

- Automatically generating a new simulation result for the random distribution model (Page 104, lines 5-13)

- While Lane does not explicitly disclose automatically repeating steps e and f a number of times equal to the number of simulations inputted less two simulations, official notice is taken that it was well known in the art at the time of invention to run a simulation a number of times and that the number of times can be set by the operator. Therefore it would have been obvious to someone skilled in the ordinary art at the time of invention to run the Lane simulation multiple times, in order to compare the risks of investment decisions.

- Automatically imputing the output of step g as the average yield for each of a plurality of funds (Page 105, Table 2)

- Automatically calculating the average projected yield for each of the plurality of funds (Page 106, Table 3, Forecast Yields)

- Automatically generating a first simulation result for the random distribution model for a new simulation (Page 103, lines 12-17) and;

- Automatically repeating steps e through j a number of times equal to the number of scenarios inputted less one scenario to produce outcomes for each of the plurality of scenarios (Page 105-106, Tables 2 and 3)

Re Claim 21: Anonymous in view of Wolfberg discloses the claimed method 16 as previously stated. Lane further discloses a method wherein the projection method factors include a standard deviation, an average yield for the plurality of funds (Page

113, Table 4), and a probability that the average yield for the plurality of funds will

exceed the projected yield in any year (Page 115, Fig 5).

Re Claim 23: Anonymous in view of Wolfberg and Lane disclose the claimed

method 18 as previously stated. While the references do not explicitly disclose wherein

the plurality of funds includes at least one index fund, it was well known in the art at the

time of invention to use index funds as investment vehicles. Therefore it would have

been obvious to someone skilled in the ordinary art at the time of invention to use an

index fund, because they provide instant diversification of a portfolio, and provide a

good basis for comparison because they are designed to track the movement of

particular indices (i.e. S&P 500 index funds).

Re Claim 24: Anonymous in view of Wolfberg in view of Lane discloses a

method for modeling an income account for a user over a predetermined time period

after a pre-selected delay period

Wolfberg discloses the steps of

- Inputting an issue commission of zero percent (Column 2, lines 42-
  49); the value would just be zero as opposed to a higher percent.

Lane discloses

- A best estimate for treasury security yields (Page 100, lines 14-19)
- A plurality of additional basis point spreads (Page 100, line 20-
  Page 101, line 2)

The references do not disclose automatically applying an annuity calculator to

produce a current projected fixed retirement income amount, however this it is well

known in the art to apply an annuity projection for a long term investment, since the

purpose of an annuity is to have an income at a later time. It therefore would have been

obvious to someone skilled in the ordinary art at the time of invention to use an annuity

calculator so that an investor could project future incomes.

The references also do not disclose automatically repeating steps a and b for a

range of treasury security yields and for each of the plurality of additional basis point

spreads, however, Anonymous discloses repeating optimization techniques for a range

of risk tolerances (Page 3, lines 14-20). It would have been obvious to someone skilled

in the ordinary art to adapt this technique for other types of ranges or spreads, including

treasury yields and basis point spreads, so that an investment manager can find values

for all possible outcomes to aid in maximizing the investment portfolio.

Re Claim 25: Anonymous in view of Wolfberg in view of Lane discloses the

claimed method 24 above, but the references do not disclose the use of the Flexibility

Annuity Settlement Proposal Generating System. However this system, as noted in the

specification of the applicant, was well known in the art at the time of invention and

therefore would have been obvious to include with the annuity calculator.

Re Claim 26: Anonymous in view of Wolfberg in view of Lane discloses the

claimed method 24 above, but the references do not disclose the steps of paying the

user the fixed income retirement amount at the end of the pre-selected delay period on

a periodic basis; and if the fixed income retirement amount paid is less than the amount

payable using the annuity, paying the difference to the user and at the end of the

predetermined period and on a periodic basis thereafter for the predetermined time

period, comparing the fixed income retirement amount paid to an amount payable using

an annuity. However, Lane discloses fixed-income portfolios that produce a fixed

income amount that could be sued at the retirement time or before, and can be payable

in different periodicity, including annuity. Therefore it would have been obvious to

someone skilled in the ordinary art at the time of invention to include such steps in order

to increase the investor's interest in the investment proposal.

Re Claim 30: Anonymous discloses a method for processing a selected

guaranteed accumulation investment amount for a user over a predetermined time

period equal to at least a pre-selected guaranteed accumulated investment amount

selected by the user comprising:

- Inputting a plurality of funds each of the plurality of funds having a value (Page 3,

  lines 14-20)

Lane discloses

- Automatically generating a probability distribution of projected accumulation

  amounts (Fig 5)

Wolfberg discloses

- Automatically deducting a charge on a periodic basis (Column 2, lines 42-49)

  The references do not disclose automatically generating a fund guarantee

statement or automatically generating a fund report, however it was well known in

the art at the time of invention to provide a customer with a guarantee or a fund

report so that they will have relevant information pertaining to their investment. A

customer would want to know the status of their portfolio at certain time periods so

they can see how well the portfolio is progressing. Electronic fund reports offer a fast and cost effective way of achieving this objective.

It would have been obvious to someone skilled in the ordinary art at the time of invention to combine the teachings of Anonymous, Wolfberg and Lane so that a customer would have a complete profile of their net investment portfolio. One would be motivated to do this because an investor would want to have periodic updates as to the status of their portfolio, so they can make proper adjustments if the portfolio is not progressing in an appropriate manner.

Re Claim 31: Anonymous in view of Wolfberg in view of Lane discloses the claimed method 30 as previously stated and Wolfberg further discloses automatically determining whether any fund of the plurality of funds is unavailable; if any fund of the plurality of funds is unavailable, automatically determining the date the unavailable fund became unavailable; and automatically determining the value of the unavailable fund on the date the fund became unavailable (Column 3, lines 25-34). Wolfberg notes that a customer is prohibited from investing in funds that would be self destructive toward their stated goal. In his example if a fund does not achieve an 8% return it would become unavailable for the customer. It follows then that at that particular date when the return on investment for that fund fell below 8%, that would be the date the fund is unavailable and the value on the date would be determined so the customer could reallocate those funds.

Re Claim 41: Anonymous in view of Wolfberg in view of Lane discloses the claimed method 26 as stated previously and Wolfberg further discloses

- Generating for the user a guaranteed minimum benefit rider (Column 2, lines 33-35)

- The user electing a benefit with a benefit period and an assumed interest rate (Column 2, lines 13-23)

- Automatically providing a resulting guaranteed periodic benefit and periodic charge for guarantee (Column 2, lines 33-49)

- For the benefit period, automatically comparing an actual benefit from the benefit to a calculated benefit using the assumed interest rate (Column 2, lines 33-41)

- At the end of the benefit period and at periodic intervals thereafter, automatically comparing the actual benefit from the benefit to calculated benefit using the assumed interest rate (Column 2 lines 33-41 and Column 4, lines 5-9).

Re Claim 42: Anonymous in view of Wolfberg in view of Lane discloses the claimed method 41 as stated previously and Wolfberg further discloses the step of if the actual benefit from the benefit is less than a pres elected percentage of the calculated benefit using the assumed interest rate, automatically paying the difference between the actual benefit from the benefit and the calculated benefit using the assumed interest rate (Column 2, lines 33-41).

Re Claim 43: Anonymous in view of Wolfberg in view of Lane discloses the claimed method 41 as stated previously and Wolfberg further discloses the step of automatically transmitting the results of the comparing step to the user (Column 4, lines 5-9).

Claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Anonymous in view of Wolfberg as applied to claim 16 above, and further in view of Lewellen (Simulation versus Single-Value estimates in capital expenditure analysis, in Modern Developments in Financial Management, ed. By Myers, S.C., The Dryden Press-Praeger Publishers, Inc., 1976, pages 442-463).

Re Claim 22: Anonymous in view of Wolfberg discloses the claimed method 16 as stated previously but does not disclose wherein the random distribution simulation includes a Monte Carlo simulation. Lewellen discloses such a step (Page 457, lines 1-25). It would have been obvious to someone skilled in the ordinary art at the time of invention to include the step taught by Lewellen because a Monte Carlo simulation was a well known simulation method used to generate values for investment projections.

Response to Arguments

Applicant's arguments with respect to claims 1-44 have been considered but are moot in view of the new ground(s) of rejection. Examiner agrees that the Anderson reference used in previous Office Actions in unavailable and has since been replaced with eligible prior art references.
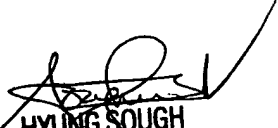
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number

for the organization where this application or proceeding is assigned is 703-872-9306.

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